



***Report of the Training Work Group
MTC Strategic Planning Committee***

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Report Summary

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Introduction

Over many years, the MTC has developed extensive and useful training content. Much of the training has been provided in person at the request of, and with the assistance of, specific states, but with the wider availability and range of prices for technology platforms, there are opportunities to provide a greater variety of virtual training sessions to more state employees. During this pandemic and economic downturn, virtual training has become a necessity, so MTC staff has been providing virtual training programs and planning for more training in the near future. Over the last two years, the MTC staff has also been investigating and discussing the best ways to add more virtual training content and has examined numerous technology options for delivering the training.

The MTC Strategic Planning Committee is charged with providing insight and guidance on short-term and long-term strategies to achieve the mission, vision, and goals of the MTC. As part of this effort, during its July 2020 meeting, the Strategic Planning Committee created a work group to examine an MTC-appropriate expansion of training opportunities. This work group was asked to provide feedback on current training and to make observations and recommendations about the organization's training options going forward. The work group report is to be provided to the Committee at its November 6, 2020 meeting.

Work Group

The workgroup met four times, on September 2nd, September 16th, October 6th, and October 29th.

At the first meeting, each work group member explained how training occurs in their state and what they see as the training needs for their state's auditors, attorneys, and agency staff. This was an introductory meeting in which no decisions were made.

At the second meeting, the work group determined that a survey be taken of state employees most likely to utilize MTC training. A brief survey was prepared by MTC staff with significant input from the work group. The survey was emailed twice to the MTC email lists of departments of revenue staff and their attorneys across the country.

During the third meeting, the work group members discussed preliminary survey results and MTC efforts to determine the best utilization of technology platforms. Choosing the right technology is a challenge since there must be a balancing of reasonable costs with platform attributes that allow

MTC staff to offer effective training in a way that meets the needs of state employees and addresses information security issues.

The fourth meeting was an opportunity for the work group to examine the final draft of the proposed report and make final observations and recommendations for inclusion in the report to the full committee.

In addition to attending the virtual meetings, the work group members shared ideas regarding the survey and provided input on the survey and the report via email interaction.

MTC Training: A Brief History

Training prior to 2020. Historically, MTC training has been provided at in-person events. Some MTC events, usually a short conference call or webinar on a topic, were provided virtually, but most training over the years was in-person. The in-person training has consisted of two main types: 1) topics offered at a single location over several days and open to all state employee registrants, and 2) training on a specific topic requested by an individual state. While this second type of in-person training has primarily been for those in the individual state, in many instances other staff from nearby states have attended. The MTC has charged for both of these types of training solely to cover costs. The MTC always surveys participants for feedback on how to improve this training.

Over the last five years, the approximate number of attendees has been 35 participants per training with some event attendance spiking to as many as 68. The training topics have included Corporate Income tax, Statistical Sampling, Nexus, Computer Assisted Audit Techniques, and Collaborative Audit Group Training. A hybrid of in-person coupled with streaming for virtual participants was provided at the November 2019 MTC committee meetings in San Antonio. Also, for state tax attorneys, a session on ethics for attorneys was conducted virtually.

The MTC is investigating ways to reach more participants with the addition of virtual training options. Providing more virtual training and less in-person training can benefit more state employees since virtual training allows for additional participation and flexible time frames. The MTC has not charged for any of this training and has tried to offer the training so it may qualify for CLE and CPE credit. The pandemic prompted an acceleration of research and implementation of these virtual training opportunities. As a result, the MTC has conducted a number of successful webinars since spring of this year and is now planning to expand its offerings, including more virtual on-demand and live training. MTC staff is carefully examining technology platforms given its extreme importance. The high quality training that participants expect from the MTC in-person needs to be continued, and the MTC needs input from those it serves to make sure training remains high quality and fits the participants' needs in a virtual setting as well.

Background on Staff Activities for Training. Various factors must be considered when developing any training session. These include: What type (topics) of training is needed by the MTC constituency? How should the training be provided? Presentation and lecture format? Interactive? Both? What kind of training should be provided based on the level of experience of the participants/audience? Should the training be in-person? Virtual? A hybrid of both? What cost, if any, to charge?

When the MTC was offering primarily in-person training, staff expended a lot of effort choosing the venue and doing the work necessary for a successful event. While this extra effort is not necessary for planning virtual events, virtual training still requires considerable preparation. These include factoring the number of attendees and audience needs, logistical work such as timing of the session and the technology platform to be used and, very importantly, content development requires staff effort and resources. Staff must maintain momentum with planning, implementing the training, and coordinating with course instructors. Content must be coupled with the best method of delivery. Finally, consideration of the logistical mechanics of setting up webinars plus practice sessions to prepare the presenters and test presentation materials, uploading documents, and preparing certificates of completion for continuing education credits (CLE and CPE) when appropriate, is essential.

Training 2020: Adjusting to impacts of the current pandemic. At the beginning of the calendar year, there were a number of in-person MTC training sessions being considered and planned. For example, a four-day, in-person corporate income tax training was scheduled at a location near the Washington-Dulles airport. The onset of the pandemic has severely limited, and then ended, states' ability to send any attendees, causing the MTC to first postpone and then cancel any planned in-person training. Since MTC began providing webinars in the spring, the attendance rate is robust and trending upward.

Topics for the virtual training sessions held in 2020 have included webinars on the Basics of Transfer Pricing, Practice and Theory for State Tax Practitioners, Recent Developments in State Sales and Use Taxation, Three States' Experiences with Wayfair Implementation, Sourcing Receipts for Business Tax Purposes, an Exclusive Joint Audit Committee SALT update, and the Future of Business Taxation by the States. Webinar participation numbers can vary widely, but attendance has been strong with numbers from 54 to 357. They have averaged over 209 participants per session. Of those registering, an average 80% end up participating on the virtual webinar.

Going forward – current plans for 2021. While there is still uncertainty about in-person trainings in 2021, the MTC is considering virtual training on a number of current and future topics. This report will help the MTC evaluate what options best meet the needs of state tax staff during this time. This report will also have an impact on training going forward. The MTC training staff is scheduled to launch the first-ever virtual statistical sampling training course requested by the state of Georgia.

Survey Results and Analysis

Survey respondents. Using Survey Monkey, a survey spanning all levels of state staff across the country was sent out twice to our comprehensive state staff lists. The response rate was relatively good with 73 responding to the survey from staff in 25 states. More may come in and will be added to the results. 80% stated that they have participated in MTC training in the past. It is important to note that 64% have some type of supervisory role in approving participants' training requests and 24% have a role in the budgeting and funding for, among other things, training.

Attendance.

- 95% of the respondents indicated that they would like to attend future MTC trainings and the rest responded “maybe”. No respondent replied they would *not* attend a future MTC training.
- Nearly 70% responded that while continuing education credits are a benefit, they did not feel that such credits are absolutely necessary for the training to take place. Therefore, when the MTC is unable to provide CPE/CLE, this does not appear to prevent attendance.
- When asked how many they expected to attend *in-person* MTC trainings in the future, respondent answered a high average of 13 staff. Respondents said an average of 11 auditors, 4 attorneys, and 5 other staff.
- The survey results showed a mixed response concerning a preference during the calendar year for training. “Anytime” was checked off by over 50% of the respondents and while the other preferred times were spread out throughout the year, February/March and October/November had higher numbers of respondents indicating those were good months to have training. Those time periods actually are similar to the times of the MTC spring and fall committee meeting periods.

Training Format.

- There is still interest in in-person training. When asked if respondents felt, once any travel restrictions were lifted, they would travel to MTC trainings, 49% said yes and 31% said maybe. Only 13% said no.
- When the training is virtual, 70% of the respondents said that they would like both on demand and live content. Only 5% said they strongly preferred only on demand. Sixty-one percent of the respondents also overwhelmingly preferred that presenters include slides during their presentation, with 36% saying any format was fine with them.

Costs.

- When asked if they would pay a fee for a virtual seminar, 49% of the respondents said yes and 49% said maybe.
- Respondents were asked if they would consider paying a subscription fee for all trainings over a period of time, similar to the way in which streaming video service operates, and 58% said ‘maybe’. Thirty seven percent said yes and only 5% said no to a subscription fee.

Topics.

- All of the topics listed in the survey received a number of positive replies. Seventy-three percent were interested in Nexus training, followed closely by 71% interested in in-depth corporate income tax training. Fifty-two percent were interested in training on sales and transaction taxes and 51% were interested in corporate income tax basics for new employees.
- Legal topics scored high with 48%, as did statistical sampling at 40%. Ethics training for attorneys received 23% but this lower percent response may be because ethics training is

widely provided and there are more auditors than attorneys that look to the MTC for training.

Technology Platforms

Background. Staff research has been necessary to determine the appropriate technology MTC should use. There are many types of technology platforms available with significantly different pricing and functionality. Virtual training can be provided in many different ways and offers significant flexibility for offerings. There are many different ways to provide training virtually. There are live webinars, recorded content, presentations and interactive formats. Historically, MTC training has been primarily delivered through in-person events. Some MTC events were virtual and usually were short conference calls or webinars on a particular topic. The in-person meetings have sometimes had the content provided virtually for those not in attendance. This often was in the form of a conference call but has recently included a video component as well. An example of effectively providing content virtually in the training context was the ethics training session held during the November 2019 MTC meetings in San Antonio. In that training, MTC delivered the content in person, but remote attendees were able to listen to the presentation, view the presenters and slides, participate in polls, and ask questions.

Recently the MTC staff has investigated and discussed adding more virtual training options. With demand for a wide variety of virtual training opportunities, examination of the best uses of technology to effectuate that has become extremely important.

Current Technology Used. MTC uses Cvent as a platform for registering participants for in-person and some virtual events. Cvent is a software that assists with event management, including marketing and managing and registration of attendees.

For live virtual meetings, the MTC uses GoToMeeting, which provides an interactive virtual environment where each attendee can share their screen and participate in the discussion. For live virtual trainings, the MTC uses GoToWebinar, which includes polling questions and the option to provide handouts – both of which are useful for CLE/CPE compliance.

Technology for Virtual Training: The Need for a Learning Management System. MTC staff determined that the organization’s training efforts will benefit tremendously from a Learning Management System (commonly referred to as an “LMS”). An LMS is used to host, store, organize, and deliver training courses that participants can utilize on-demand and at their own pace. It would provide the MTC with the ability to upload or embed videos, create quizzes associated with those videos, and organize all of this content into a course that a participant could work through sequentially using the LMS’ user interface. Once the participant has completed the course, the LMS will provide a certificate of completion that the participant may be able to use to obtain CLE/CPE credit for completing an on-demand course.

The LMS also allows for more variation and functionality. For instance, some platforms provide live sessions or will link to third-party software that provides live sessions. This will allow the MTC to provide on-demand content that can be integrated with a live roundtable or Q&A session. The LMS

also provides a registration function, which gives the MTC additional control over participation and provides assurances against inadvertently divulging privileged or confidential information.

The MTC has researched various technology platforms to determine the most appropriate LMS, balancing costs and functionality. Some of the technology platforms which staff have looked into include:

- Cvent Virtual Attendee Hub
- Docebo
- TalentLMS
- Webinato
- BeaconLive
- Lessonly
- Axis LMS

Costs vary for these platforms. The Cvent attendee hub can cost up to \$25,000 for the year, which is in line with some of the other customized platforms the MTC has investigated. Other platforms, such as TalentLMS and Axis LMS, provide for less customization but at a significantly reduced price point.

Recommendations and Observations

Overall goal. The work group believes that the goal of MTC training should be to provide broadly available, efficient, and effective training to meet the needs of MTC state tax staff participants.

All types of training formats should be utilized. Virtual training has many benefits and should be expanded. The work group assumes that tight budgets and travel restrictions will last at least into fiscal year 2022, thus necessitating the need for mostly (or all) virtual training for the next year or two. The work group encourages a variety of training formats be used. These varied types of virtual formats include live lectures, prerecorded training, Webinars, presentations, and interactive “round table” discussions. A variety of types of training can be provided with some being more formal lecture formats focused on a specific topic and some being less formal, such as current events updates.

In-person trainings are indeed beneficial and should not be overlooked as an important way for the MTC to provide training. In-person trainings can again be held when sufficient participation and effectiveness exists to justify the use of MTC staff resources for in-person training.

Provide Training “Anytime”. A significant advantage to virtual training offerings is that it can reach many more people and can do so at any time. Just as important is the ability to provide training at any time. “On demand” recorded training can be available throughout the year and the work group encourages the MTC to implement training courses that can be viewed any time by participants. A particular advantage to state staff is ability to self-schedule training. New employees can especially benefit from “on demand” training since they do not need to wait for a particular date in which the training will occur. Another benefit of “on demand” training is that state entities hire tax professionals throughout the year and this allows for more nimble and flexible training

opportunities. “Anytime Training” also meets the needs of state staff who cannot travel for whatever reason. A variety of virtual training opportunities should be considered.

Continuous Evaluation. Training should be evaluated on a regular basis to ensure there is continuous feedback on training offerings. The MTC staff can then adjust training offerings that meet the needs of state staffs. In order to evaluate current training, gathering feedback can include providing training participants with surveys immediately following each training session. Other feedback methods such as focus groups and broadly distributed survey questionnaires should also be used. This will ensure the MTC staff is receiving diverse feedback from different staff from states throughout the nation and from state tax staff.

Examine Best Practices. The work group encourages the MTC staff to continually look for lessons learned and best practices in training. This includes research into the training of other similarly situated groups. By following what other types of training can be offered, the MTC can be aware of lessons learned, good and bad, when determining the best options for MTC offerings. The staff can also determine the most effective ways to present training in a virtual environment since technology options continually improve.

Topics. The MTC should engage with state staff to determine what additional topics would be helpful should the MTC have the capacity to add additional training content to its current training curriculum. The core training currently offered should remain a priority. This includes training on Corporate Income Tax, Sales Tax, Statistical Sampling, Nexus, Computer Assisted Audit Techniques, and Collaborative Audit Group Training.

Technology Upgrade. The work group approves of the current efforts of the MTC staff to upgrade its technology capabilities to offer more training opportunities. Key priorities and considerations should be cost, how user friendly the platform is for training participants, and ease of use by staff. When entering into technology contracts, the maximum flexibility possible should be provided so that the MTC can change and adjust technology formats and platforms when needed to best serve the state staffs.

Training Program Flexibility. The MTC staff is encouraged to provide opportunities that meet the changing needs of state tax staff. Through the survey, states identified corporate income tax, sales tax, and nexus as particularly important topics. Regular evaluation and requesting of feedback will help to keep up with state agency needs. Like all organizations, MTC has limited resources and cannot offer all of the training that states would like provided. Therefore, the MTC should focus on providing training that is accessible to the largest possible audience. One impact of this is that training requested by an individual state may not receive the same level of priority as a training program that can be accessible and available to a wider group of staff from many or all states. In addition, the MTC should continue doing webinars, “roundtables” and other informational and educational sessions, such as the recent panel discussion on tax incentives. A focus on current events would be helpful including webinars on current legal developments. The MTC staff should regularly update content to keep up to date on the technology utilized for virtual meetings to be sure staff is aware of possible options.

Outreach activities. Potential audiences in state agencies should be made aware of MTC training opportunities in appropriate and reasonable ways. Outreach and “marketing” in a subtle manner can

be beneficial to inform state staffs as to what training is available to them. Reasonable outreach to potential participants is encouraged, which may include emailing training opportunities to lists of those likely to be interested as well as targeted emails when appropriate. In addition, a careful use of appropriate social media should be considered. Many organizations use platforms like LinkedIn to get the word out about training sessions. The MTC can work with states to assist with their training programs when possible.

Innovation and experimentation. The work group encourages creativity, experimentation, and innovation in the development of training when possible. For example, hybrid trainings in which some attend in person and some attend virtually can be held and evaluated and compared to determine the effectiveness. Hybrid training allows for in-person attendees but also virtual attendance. For example, in Anchorage, Alaska, tribes meet annually at the convention center. Since some tribal leaders live in very remote villages, the event is live streamed to participants in remote areas. All can participate.

Conference venues are now experimenting with ways to effectively have in-person conferences with streaming of the event for virtual participants to have a meaningful experience. Facilities across the nation are upgrading technology to ensure the experience for virtual attendees is worthwhile. They are also upgrading the technology to allow opportunities for interaction between in-person participants and those attending in a virtual manner. These technological upgrades will ensure that any MTC training is meaningful for both virtual and in-person participants.

Covering Costs. The work group finds that it is appropriate for the MTC to charge for most trainings to ensure costs are covered. As a government agency, the MTC does not have additional resources to provide training at no charge. The MTC staff should generally follow prior guidance developed years ago that MTC should provide training at cost. Fees should be reasonable and cover all costs associated with the training. The limited budgets state agencies have for training should also be taken into consideration when determining costs. Charging a relatively small “cushion” above actual costs is appropriate to cover unforeseen urgent expenses and cover the opportunity costs of having staff spending time on training development and *not* other equally worthy functions. In addition to charging a fee for individual events, the MTC staff should also consider a subscription plan. A subscription project would involve determining a one-time only cost for a series of trainings. The details of a potential subscription plan need to be determined and developed. The proposal should be presented to a future work group and/or Strategic Planning Committee meeting for feedback from state staff.

Continuing education. Whenever possible, MTC training should qualify for continuing education credits for auditors and attorneys. While the survey found that having continuing education credits was not essential for most to attend MTC training, having them available would be very beneficial. When virtual, MTC training needs to have additional tools like a presence manager to show attendance occurred. The new technology that is being considered by MTC should have sufficient presence manager capabilities when implemented to allow for consideration of CPE and CLE.

Continue working group. Given the uncertainty of the times and the need to adjust to workplace changes, the work group recommends that the work group mission be expanded and continued through calendar year 2021. The work group can meet quarterly to provide further input and

feedback to MTC staff as they develop and adjust training during these uncertain times. The work group can report again next November to the Strategic Planning Committee.

Record keeping. Record keeping and metrics are critically important to maintaining a continually improving training program. Information pertaining to trainings should be captured and maintained for MTC's historical purposes. The MTC should keep metrics and report to the Strategic Planning Committee at least once a year on important benchmarks of MTC success, including attendance and completion.